

**Oro Loma Sanitary District
MEMORANDUM**

TO: Board of Directors

FROM: Construction Committee - Directors Walters and Young

DATE: August 14, 2019

SUBJECT: MINUTES, MEETING AUGUST 14, 2019

The Construction Committee, consisting of Directors Walters and Young and Castro Valley Director Johnson, met on Wednesday, August 14, 2019, at 10:00 a.m. Also in attendance were General Manager Warner; Castro Valley General Manager Williams; District Engineer Halsted; Technical Services Manager-Plant Dang, Field Engineer Decker, Field Engineer Rossman and Field Engineer Sibal. There were no members of the general public in attendance. The items discussed included:

- **PUBLIC COMMENTS**

None.

- **CONSTRUCTION COMMITTEE MEETING MINUTES – JULY 10, 2019**

The Committee accepted the minutes as presented.

- **FUND 40 AND 45 - MAY 2019 ACCOUNTING SHEETS**

Warner presented the Fund 40 and Fund 45 April 2019 accounting sheets, which show the financial status of all active projects in the budget.

The Committee accepted the report.

- **TEN-YEAR R&R AND CIP PROJECTED COSTS**

The Committee reviewed the 10-year projections and Halsted reported that there were no changes since the last report. A discussion took place regarding the criteria for sea rise implications. Generally, if the project involves the installation of a physical asset, there are sea rise implications. Software or programming projects are examples without sea rise implications.

The Committee accepted the report.

- **NUTRIENT OPTIMIZATION PROJECT
FY 2019/2020 Budget \$11,850,000**

Dang provided an update on the Nutrient Optimization Project, which was awarded to GSE Construction at \$19,430,900. The construction progress to date is 47.6%. The contractor is currently completing the concrete walls at Aeration Basin No. 4 and working on the electrical system within the blower building. Aeration Basin No. 3 is undergoing retrofit, with an expected completion date of October 2019. Upcoming events include working on the Outfall Structure, retrofitting Aeration Basin 3, and continuing work on

Aeration Basin 4. Project costs to date are \$11,178,000, with the total cost projected to be \$24,700,000.

The Committee accepted the report.

- **MANAGEMENT OF INFLUENT FLOWS**

Halsted presented the memo on Management of Influent Flows, which investigates opportunities for peak influent pump station flow management and evaluates developing a standardized measurement methodology and identifying a work plan to reduce the standardized measurement. What was found in the investigation is that the pump station is well operated and that a 1% to 3% reduction could be realized by managing the recycled and storm flows during rain events. This low percentage does not warrant further effort.

The Committee accepted the report.

- **STORM FLOW PREDICTION MODEL**

Halsted provided a brief update on the project and provided a detailed explanation of the planned approach to install permanent flow meters in the system. The flow prediction software will incorporate six permanent flow meters on the six main trunk sewers in the collection system. These flow meters will provide the real time information to compare the predicted results with those observed in the field. The software will continually update its prediction (future predictions) based upon the ongoing correlation between predicted and actual flows.

Two flow meter consultants were contacted with the lower quote coming from Total Flow Inc. The contract will provide for the lease, installation, annual calibration and maintenance of six flow meters over a 5-year period at a total cost of \$166,359. The cost for FY 2019/20 (Year 1) will be \$35,890; Year 2 - \$32,394; Year 3 - \$32,538; Year 4 - \$32,689; and Year 5 - \$32,847. The first year will be funded from project funds. Future years will be funded from the Operations Department budget or from dedicated project sources.

The Committee accepted the report and authorized staff to take the contract to the full Board for approval.

- **EDGEBROOK LIFT STATION**

Rossmann reported that the project will provide for the abandonment of the Edgebrook Lift Station through the installation of 490 feet of new sewer through a District-owned easement. The Engineer's Estimate is \$265,000, with an estimated total project cost of \$350,000. The project plans and specifications are ready for bid. Staff requested authorization to take the project to the full Board for approval to call for bids.

The Committee accepted the report and authorized staff to take the project to the full Board for approval to bid.

- **COLLECTION SYSTEM ASSET REPAIR & MAINTENANCE
FY 2019/2020 Budget \$1,150,000**

POINT REPAIRS 2019/20

Sibal reviewed the project with the Committee, which provided for the completion of 38 point repairs within the collection system. The District opened five bids on August 8, 2019; the apparent low bidder was APB General Engineering at \$328,668. The Engineer's Estimate for the project is \$400,000. Staff requested authorization to take the project to the full Board for approval to award the project.

The Committee accepted the report and authorized staff to take the project to the full Board for approval to award.

- **SEWER LINE REPLACEMENT (SLR)
FY 2019/20 Budget \$5,000,000
Combined FY 2018/2019 Budget \$5,760,000**

SEWER LINE REPLACEMENT 2018/2019 (45-143.10)

Decker reported that the project provides for the replacement of 3.5 miles of sewer pipe with high-density polyethylene pipe (HDPE). The project was awarded to KJ Woods Construction, Inc. at \$4,588,000 and is 90% complete. The Contractor has completed work on Valleyview Dr., Selborne Dr., Lomita Dr., 170th Ave., and E 14th. The contractor is currently working on Woodroe Ave., Kelly St., and E 14th St., and Blanding Ct. Given the current pace, the work will likely be completed in October 2019. Project costs to date are \$3,902,731 with the total project cost projected to be \$5,223,638.

The Committee accepted the report.

SEWER LINE REPLACEMENT 2019/2020 (45-143.11)

Decker reported that the project provides for the replacement of 2.1 miles of sewer pipe with high-density polyethylene pipe (HDPE). The project has been advertised and scheduled to bid Wednesday August 21, 2019. The Engineer's Estimate for the project is \$3.6M. Staff requested authorization to bring the project to the full Board for award if the bid amount is within 10% of the Engineers Estimate.

The committee accepted the report and authorized staff to bring the project to the full Board for award if the bid amount is within 10% of the Engineer's estimate.

- **DIRECTOR COMMENTS**

Director Walters asked about the status of the \$25M loan application for the Sewer Collection System Pipeline Rehabilitation and Replacement Project. Halsted reported that the financial part of the application has been submitted, the biologist has completed their field investigation for the CEQA process, and the 90% plans and specifications are nearly complete. On September 3rd, the technical portion, which is the final part of the application, will be submitted on time.

Staff is working with our SRF consultant to evaluate the necessity of pre-paying the loan interest (ie paying \$4.25M of the loan amount back on day 1 in exchange for long term,

interest free financing). Doing so causes increased cash needs in the near term, but nearly guarantees that we will receive funding. Not doing so risks a delay in funding, which may require the District to fund another year of line replacement from reserves. Funding a \$5M project from reserves would require an even greater cash need than the prepaid interest option and there is no guarantee that we would receive funding in year 2.

- **ADJOURNMENT**

There being no further business to come before the Committee, the meeting adjourned at 11:22 a.m.